
FINANCIAL SERVICES REPUBLICAN MORNING CLIPS 11.10.2009

Wall Street Journal: "Curbing Size of Big Firms ... Democrats are advancing proposals in Congress designed to limit the size and complexity of financial companies so that any collapse wouldn't damage the broader economy, a sign that lawmakers are responding to anti-Wall Street sentiment by toughening the administration's rewrite of finance rules."

Wall Street Journal: "Fewer Banks Decide to Tighten Credit ... Fewer banks tightened lending standards for businesses and consumers during the past three months, the Federal Reserve's latest survey of loan officers showed, a sign that the credit crunch's grip may soon ease."

Wall Street Journal: "Banks Choosing Treasury Bonds Over Loans ... You know an economy isn't healthy when banks are using as much of their money to buy government debt as they are to make loans to businesses."

Wall Street Journal: "The Fed Is Already Transparent ... Under the banner of increasing Federal Reserve transparency, Congressman Ron Paul has sponsored a bill that would subject the Fed's monetary policies to an audit by the Government Accountability Office (GAO)."

Washington Post: "Wall Street surges to new 13-month high ... Wall Street reached a new high for the year Monday, surging after world finance leaders pledged to keep fiscal stimulus efforts in place until an economic recovery has been assured."

Washington Post: "FHA's reserve fund hits 7-year low ... The Federal Housing Administration, which has played a crucial role supporting American home buyers after the collapse of the mortgage market, has burned through a huge cash reserve in less than a decade and could soon wind up with what amounts to an automatic taxpayer bailout if the agency's fortunes don't improve, according to a review of FHA finances."

NY Times: "A Squeeze on Customers Ahead of New Rules ... Banks are struggling to make money in the credit card business these days, and consumers are paying the price. Interest rates are going up, credit lines are being cut and a variety of new fees are being imposed on even the best cardholders."

LA Times: "Fewer banks tightened lending standards last quarter, Federal Reserve says ... Fewer U.S. banks tightened lending standards for companies and consumers in the third quarter as the economy grew for the first time in more than a year, a Federal Reserve survey showed."

LA Times: "GMAC is only major bank that needs more bailout money, Fed says ... GMAC is the only major bank that will need additional bailout money after it was unable to raise enough capital on its own, government officials said Monday."

LA Times: "Bailing out GMAC ... A year after the Big Three implored Congress to save their industry from collapse, the fortunes of U.S. automakers are looking up. Ford, which lobbied for the bailout but took no aid directly, recently reported its second consecutive quarterly profit."

USA Today: "Banks say companies are reluctant to borrow ... There's wide agreement that the strength of a U.S. recovery now depends on how soon companies are confident enough to start hiring again."

USA Today: "Fannie Mae may seek more aid; tax credit decision could cost \$5.2B ... Fannie Mae said Monday it may have to ask the government for more financial assistance because the company cannot sell \$5.2 billion in tax credits."

Washington Times: "Federal Reserve opposed as big bank savior by odd allies ... An unusual alliance of conservatives and liberals is pushing to break up or downsize banks deemed "too big to fail," rather than create a new regulatory regime led by the Federal Reserve to try to keep them from getting into trouble again."

Reuters: "Dodd set to unveil financial reform bill ... Senate Banking Committee Chairman Christopher Dodd will unveil long-awaited draft legislation on financial regulation reform on Tuesday, his office said on Monday."

Bloomberg: "Dodd to Propose Removing Fed, FDIC Bank Supervision (Update1) ... Senator Christopher Dodd will propose creating a single U.S. regulator that would strip the Federal Reserve and Federal Deposit Insurance Corp. of bank- supervision authority, said a person familiar with the matter."